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Controller Completes Los Angeles RDA Review

SACRAMENTO – State Controller John Chiang today announced completing his [review](#) of the assets transferred by the Community Redevelopment Agency of the City of Los Angeles (RDA) prior to its dissolution. The review found that \$1.086 billion in assets were transferred before the agency dissolved in 2012, and of those transfers, \$164 million were unallowable under State law.

However, it also notes that all of the unallowable transfers were reversed before the Controller's review was completed. The Controller is ordering no further action at this time and thanks the City for its cooperation and efficiency.

The assets, which included real estate and fee rights, were returned to the RDA's successor agency and placed under the direction of a locally-appointed oversight board to dispose of the assets, pay off obligations, and redistribute excess cash to fund schools, public safety, and other local public services.

The Controller's review is mandated by ABx1 26 and AB 1484, the two pieces of legislation that directed the shutdown of redevelopment agencies. The laws require that all RDA assets be transferred to successor agencies, including assets that were previously transferred to a city, county or other public agency after January 1, 2011. The one exception involves transferred assets that were committed to a third party by June 28, 2011.

Assets can be returned to a public agency if the RDA successor oversight board agrees that the property serves a legitimate governmental purpose, and if the State Department of Finance has no objection.

To date, the Controller has completed 174 asset reviews. Read more about the Controller's role in conducting asset reviews , and see a list of completed reviews .

Read a version of this press release in .

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